

IN THE SENATE OF THE UNITED STATES.

MESSAGE

FROM THE

PRESIDENT OF THE UNITED STATES,

SUBMITTING

Dispatches and accompanying documents from the United States minister at Hawaii, relative to the lease to Great Britain of an island as a station for a submarine telegraph cable.

JANUARY 9, 1895.—Read, referred to the Committee on Foreign Relations, and ordered to be printed.

To the Senate and House of Representatives:

I submit herewith certain dispatches from our minister at Hawaii and the documents which accompanied the same.

They disclose the fact that the Hawaiian Government desires to lease to Great Britain one of the uninhabited islands belonging to Hawaii as a station for a submarine telegraph cable to be laid from Canada to Australia, with a connection between the island leased and Honolulu.

Both the Hawaiian Government and the representatives of Great Britain in this negotiation concede that the proposed lease can not be effected without the consent of the United States, for the reason that in our reciprocity treaty with the King of Hawaii he agreed that as long as said treaty remained in force he would not "lease or otherwise dispose of or create any lien upon any port, harbor, or other territory in his dominion, or grant any special privilege or right of use therein to any other power, state, or government."

At the request of the Hawaiian Government this subject is laid before the Congress for its determination upon the question of so modifying the treaty agreement above recited as to permit the proposed lease.

It will be seen that the correspondence which is submitted between the Hawaiian and British negotiators negatives the existence on the part of Hawaii of any suspicion of British unfriendliness or the fear of British aggression.

The attention of the Congress is directed to the following statement contained in a communication addressed to the Hawaiian Government by the representatives of Great Britain:

We propose to inform the British Government of your inquiry, whether they would accept the sovereignty of Necker Island or some other uninhabited island on con-

dition that no subsidy is required from you. As we explained, we have not felt at liberty to entertain that question ourselves, as we were definitely instructed not to ask for the sovereignty of any island, but only for a lease simply for the purpose of the cable.

Some of the dispatches from our minister, which are submitted, not only refer to the project for leasing an uninhabited island belonging to Hawaii, but contain interesting information concerning recent occurrences in that country, and its political and social condition. This information is valuable because it is based upon the observation and knowledge necessarily within the scope of the diplomatic duties which are intrusted solely to the charge of this intelligent diplomatic officer representing the United States Government at Hawaii.

I hope the Congress will see fit to grant the request of the Hawaiian Government, and that our consent to the proposed lease will be promptly accorded. It seems to me we ought not, by a refusal of this request, to stand in the way of the advantages to be gained by isolated Hawaii through telegraphic communication with the rest of the world, especially in view of the fact that our own communication with that country would thereby be greatly improved without apparent detriment to any legitimate American interest.

GROVER CLEVELAND.

EXECUTIVE MANSION,
January 9, 1895.

LIST OF PAPERS.

- No. 1. Mr. Gresham to Mr. Willis, August 31, 1894;
 - No. 2. Mr. Willis to Mr. Gresham, September 29, 1894;
 - No. 3. Same to same, October 13, 1894;
 - No. 4. Same to same, October 19, 1894;
 - No. 5. Same to same, November 2, 1894;
 - No. 6. Same to same, December 3, 1894.
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No. 1.

Mr. Gresham to Mr. Willis.

DEPARTMENT OF STATE,
Washington, August 31, 1894.

SIR: I have received your dispatch of the 11th instant, reporting the arrival at Honolulu on the 4th of Mr. A. G. S. Hawes, British commissioner and consul-general, succeeding Major Wodehouse, lately minister resident. You also report the movements of the *Philadelphia* and *Champion*.

A very remarkable dispatch from Rear-Admiral Walker, dated "At sea, August 17," and reporting events at Honolulu, up to the date of his departure on the 12th, has been communicated to me by the Secretary of the Navy for my information. I inclose a copy for your perusal. The apprehensions of the Admiral do not seem to have been shared by you sufficiently to warrant your reporting the petition for the retention of the *Philadelphia*, which was addressed to you as well as to the naval commander, and it is trusted that your reported concurrence in that officer's views will be found due to some misapprehension.

I am, etc.,

W. Q. GRESHAM.

No. 2.

Mr. Willis to Mr. Gresham.

LEGATION OF THE UNITED STATES,
Honolulu, H. I., September 29, 1894. (Received October 20.)

SIR: I have the honor to acknowledge the receipt of your instruction of the 31st ultimo, inclosing a dispatch of Rear-Admiral Walker of August 17.

After a lengthy statement seriously reflecting upon the late British minister and the commanding officer of the *Champion* and expressing such apprehensions touching the political situation here as necessitated the detention of the *Philadelphia*, the Admiral, in the eleventh paragraph, says: "Before reaching this conclusion [to postpone the *Philadelphia's* departure] I consulted with the United States minister, whose views entirely coincided with my own."

Your dispatch indicates that these words of the Admiral have been given a wider meaning than could have been intended by him. A brief recital of the facts may therefore be proper.

On the 5th day of August I was informed by the Admiral that he would leave with the *Philadelphia* on the 8th. On the 6th the British minister, Major Wodehouse, having been succeeded by Mr. Hawes, made his farewell official visit to this legation, during which he mentioned the fact that the *Champion* had intended to leave on that day, but some of the English residents had become nervous when they heard that the *Philadelphia* also was to leave, and yielding to their request, the *Champion* would remain until the *Hyacinth* arrived. Upon the same morning I made a parting call to the officers of the *Philadelphia*, when the Admiral told me that several citizens had expressed their regret at the departure of the *Philadelphia* before the arrival of the *Charleston*, which vessel was daily expected. He also expressed some surprise at the change of plans of the *Champion*. In view of these facts, he asked my opinion in regard to the detention of the *Philadelphia*. I replied that as the steamer *Australia* was due here August 11, at 8 a. m., which would probably bring correct advices as to the *Charleston's* movements, I saw no reason, if not in conflict with his orders (as to the nature of which I was not informed), why the *Philadelphia* should not wait until then. When the *Australia* arrived, I immediately notified the Admiral that no news warranting his further stay had been received. He left the next morning.

It is this conversation and the unimportant result following it with which the Admiral connects me.

The statement as to the conduct and sentiments of the British minister and captain of the British cruiser, and especially as to their purpose to land troops for political advantage, and the dangers resulting therefrom to American interests, I can not confirm either from personal knowledge or reliable information. If called upon to express an opinion, I should be constrained to say that during the past six months, and especially since the proclamation of the Republic, the presence or absence of British war vessels here ought to have been regarded with indifference by our Government, as it is now by this Government.

The "petition of citizens" referred to by the Admiral I did not receive until the day after our conversation. The conditions here for many months had been extremely orderly and peaceful. As stated by the petition itself, there was "no reason to doubt the ability of the Government of the Republic of Hawaii to support and sustain itself

and furnish full protection to the lives and property of all residents in its territory." In this opinion even the enemies of the Government concurred. Furthermore, on the day after receiving the petition, Mr. Hatch, the minister of foreign affairs, expressed to me his regret that it had been sent, as those he represented welcomed the opportunity to prove to the world that they were able to take care of themselves. These I deemed sufficient reasons for not forwarding the petition.

With renewed assurances, etc.,

ALBERT S. WILLIS.

No. 3.

Mr. Willis to Mr. Gresham.

LEGATION OF THE UNITED STATES,
Honolulu, October 13, 1894. (Received October 26.)

SIR: Negotiations have been pending during the past week between this Government and representatives of Great Britain in regard to an ocean cable between Canada and Australia, touching at Necker Island or at this city. As there is a clause in our treaty with the Hawaiian Islands which provides against the cession of any one of them to a foreign government without our consent, it is not thought that any definite agreement will at present be reached. President Dole has been visiting the island of Hawaii and is expected home to-day, when consideration of the subject will be resumed.

The registration roll closed on Saturday night. The number registered on this island (Oahu) is 1,920, as against 1,785 at the May election. Returns from the other islands have not yet been received. The nominating convention of the American Union party of this island will meet to-day. Its nominees will be among the candidates to be balloted for at the general election to be held the 29th instant.

The indications all point to a quiet and orderly election.

Statistics setting forth the financial condition of the Government for the six months just passed, as compared with the same six months of 1893, have been compiled by the Hon. S. M. Damon, minister of finance. The taxes received during the period this year amounted to \$639,606. In 1893 the taxes amounted to \$736,547, showing a decrease of \$96,941. This decrease, however, is more than offset by the expenditures, which, in 1893, were \$814,435, while in 1894 they were \$692,952, a difference of \$121,483, or a total gain of \$24,542 over 1893.

Conditions continue peaceful and orderly.

With renewed assurances, etc.,

ALBERT S. WILLIS.

No. 4.

Mr. Willis to Mr. Gresham.

LEGATION OF THE UNITED STATES,
Honolulu, October 19, 1894. (Received November 1.)

SIR: Mr. Fleming, of Canada, and Mr. Mercer, of the colonial office, London, in company with Mr. Hawes, the British commissioner, returned on the 16th instant from Bird Island, which they visited with

the *Hyacinth* in the interest of the proposed cable. They leave to-day for home via Washington, where they will probably submit to the President and yourself some proposition relating to their mission here. On the 15th instant Mr. Verlaye, the French commissioner, requested that your attention be called to the fact that his countrymen had just completed a cable to New Caledonia and would probably desire to extend it to Tahiti, the Hawaiian Islands, and the United States. For this reason he hoped that our Government would not be hasty in the matter.

On Saturday, the 13th instant, the convention of the American Union party nominated its candidates for senators and representatives, six of each class. Of the six representatives two are Hawaiians.

I send you newspaper clippings containing the platform of principles. I also send clippings in regard to the cable project now pending.

With sentiments, etc.,

ALBERT S. WILLIS.

[Inclosures.]

[Friday, October 19, 1894.]

Facts about the cable—Propositions made by Mr. Sanford Fleming—A subsidy is asked—The lease of either Bird or Necker Island wanted, the same to be used only as a cable station—Secretary Gresham said to approve of it.

The Pacific cable is to have a landing place on the Hawaiian Islands. That has been definitely decided upon, and it is only a question now of choosing the exact point and laying the wire strand that will connect Honolulu with the outside world and give to the Paradise of the Pacific the only thing that it needs to make it the ideal spot on earth.

The Advertiser told of the arrival here of Mr. Sanford Fleming, accompanied by Mr. Mercer, and of their mission. It has told, from day to day, about the plans and propositions of these gentlemen, as submitted to this Government, and now it is able to give the results in detail.

Prior to coming to Honolulu, Mr. Fleming, who is a delegate from the Canadian Parliament, visited Washington and had an interview with Secretary Walter Q. Gresham. Prior to this trip the Dominion Parliament adopted a resolution to the effect that the cable to be laid from Victoria to the Colonies, in order to secure a subsidy from Canada, should only land at points which were under British control. Owing to the treaty between the United States it was feared that this would preclude the cable touching here. But Mr. Fleming asked Mr. Gresham if the United States would object to the leasing of one of the small islands of this group to Canada for the purpose of landing a cable there, and for no other purpose, to which Mr. Gresham replied that under the treaty no interference with such an arrangement could be made.

So Mr. Fleming came to Honolulu and entered into negotiations with this Government for the lease of Bird Island or Necker Island. He was met half way by Mr. Hatch and the members of the council, and to-day the propositions are as good as accepted.

Some time ago the *Champion* made soundings about Necker Island, and within a week the *Hyacinth* made a similar expedition to Bird Island. The work done by the *Champion* is by this time in the hands of the Canadian Government, and the *Hyacinth* survey will be forwarded by the *Alameda* to-day; indeed, Mr. Fleming, who is to go on the steamer, will undoubtedly carry it himself.

The proposition made by Mr. Fleming is this:

The Hawaiian Government is to lease to the Dominion of Canada an island, either Bird Island or Necker Island, with the understanding that it is to be used only as a cable station, and that the right to purchase or acquire it shall always remain with the United States, subject always to the provisions of this lease. The Hawaiian Government is also to grant a subsidy of £7,000 a year for a period of years. In return for this the cable company is to land at one of the islands above named, conduct a branch to Honolulu, and only charge the following low rates for the transmission of messages: Commercial business, 1 shilling a word; Government dispatches, ninepence; press dispatches, sixpence.

These propositions have practically been accepted by the Republic of Hawaii, and it only remains for the United States to approve of them, as under the treaty that country will have to do. It is understood that Mr. Fleming and Mr. Mercer will go direct to Washington upon arriving in the States, and will await the action of the authorities there before returning to Ottawa.

It is hoped at the Government building that Mr. Willis's dispatches may spur the United States on to action in a cable enterprise.

F. M. Hatch, the minister of foreign affairs, was seen yesterday afternoon concerning cable matters, and said:

"The whole matter can be told in a nutshell. Mr. Fleming has asked the lease of one of the unoccupied islands of the group for a cable station. He also asks for a subsidy of £7,000 a year for fifteen years. This may seem rather large, but there are offsets to it. One of them is that Mr. Fleming proposes to make rates of a shilling a word for regular messages to the coast; ninepence for Government messages, and sixpence for press messages. This is a very low rate, considering the prices charged by other cable companies.

"Mr. Fleming has not asked for the exclusive cable right here. He only wants an exclusive lease of the island for cable purposes only. That is, no other cable company is to be granted permission to land on that island, but any other enterprise will not be interfered with."

[The Pacific Commercial Advertiser, Honolulu, Hawaiian Islands, Monday, October 15, 1894.]

First republic convention—Doings of the American Union delegates Saturday—A ticket and a platform chosen—P. C. Jones resigns in favor of J. A. McCandless, in order that a mechanic may be on the ticket—Annexation the keynote of the meeting.

The senatorial ticket chosen by the American Union convention Saturday afternoon was changed during the evening by P. C. Jones resigning in favor of J. A. McCandless, in order that a mechanic might be on the ticket. Although the native element was turned down during the first session, by the defeat of Mr. Naone, it was recognized later, and two Hawaiians were nominated representatives.

THE TICKET.

Senators.—Cecil Brown, H. W. Schmidt, W. C. Wilder, J. N. Wright, J. A. McCandless, Henry Waterhouse.

Representatives.—D. L. Naone, E. C. Winston, C. L. Carter, J. C. Cluney, L. H. Haalualani, James Davis.

THE MORNING SESSION—SENATORS CHOSEN AND A PLATFORM IS ADOPTED.

The following are the proceedings:

J. A. Kennedy called to order in American League Hall Saturday the first political convention on the island of Oahu to be held under the Republic. The hour when he rapped with his gavel was 2.30 p. m. The convention assembled was that of the American Union party, and 30 delegates were its representatives, 24 from Honolulu and 6 from the outlying districts. The names of the delegates are as follows:

First club.—Kennedy, J. A., Keeth, A. W., Lansing, T. F., Wright, Thomas, Naone, D. L.

Second club.—Martin, J. S., Bishop, F., Smith, George W., Sousa, P.

Third club.—Sims, W. R., Fisher, J. H., Crozier, C., Asch, J., Day, C. R., Wooten, H.

Fourth club.—Towse, E., Murray, T. B., O'Brien, W. P., Effinger, J., Akau, A. K.

Fifth club.—Emmeluth, J., Winston, E., Keliipio, D., Kaiana, D. P.

Sixth club.—Henry, William, Palua, F.

Seven A.—Arnemann, W. H. G.

Seven B.—McCandless, J. A.

Eight A.—Lowrie, W. J.

Eight B.—Torbert, J.

Seven A and Seven B represent the Seventh club, and Eight A and Eight B the Eighth.

In opening the convention Mr. Kennedy said:

"Fellow delegates to this the first island convention in the Republic of Hawaii: Pursuant to the call of the central executive committee we meet here to-day in the name of the American Union party, a party which stands conspicuously for progress, for good government, and for the good of all the people, but above all, in fact the very foundation, the solid rock on which we cling together as one man, is the political union of these islands to the United States of America.

"The most of us here will remember the 14th to 17th days of January, 1893, when we, at the risk of our lives, pledged ourselves to the cause of annexation.

"Gentlemen, we have stood to our guns nobly since that memorable day through good and bad reports and now that the clouds of dust arising from the enemies of annexation have been swept away, we come up here this afternoon to renew our obligation, pledge ourselves anew, and right here and now devote our time, talents, and money, individually and as a great political body, to the cause of annexation, declaring that we will not give up until we get there. Gentlemen, as chairman of the central executive committee of the American Union party, I now call this convention to order."

George W. Smith nominated Mr. Kennedy for temporary chairman, and he was chosen by a unanimous vote. In accepting the position, he urged that the delegates consider matters with due deliberation. John Effinger was nominated secretary, and D. L. Naone temporary vice-president. A. K. Akau was made assistant secretary.

The motion was made that a committee on credentials be appointed. Some of the delegates wanted two committees appointed at the same time, so that time could be saved by the dual consideration of business. Mr. Sims objected to this, saying no business could be transacted until the credentials had been examined. The chair sustained him, and appointed the following members of the credentials committee: A. W. Keech, W. P. O'Brien, D. Kalipio, and Thomas Wright. They retired to the anteroom to examine the documents presented them by the sergeant-at-arms and reported them as correct. In order to save time, two committees were appointed as soon as this report was handed in; one on permanent organization, and one on order of business.

The chair appointed the following as members of the committee on permanent organization: Chairman, George W. Smith; E. F. Bishop, T. B. Murray, Charles Crozier, J. Torbert, H. G. Wooten, and Peter Souza. At the same time he appointed as members of the order of business committee: J. H. Fisher, chairman; C. W. Day, E. C. Winston, Julius Asch, W. H. G. Arneemann, Frank Pahia, D. P. Kaiena.

The committee on permanent organization was the first to file into the room after a ten minutes' conference, but waited the entrance of the other body before reporting the conclusions arrived at. There was a delay of fifteen minutes; then, when all the delegates were again assembled, the committee on permanent organization reported in favor of the temporary officers being made permanent, with the addition of an interpreter. W. L. Wilcox was appointed to this position.

The committee on order of business then reported as follows:

1. Speeches on behalf of candidates in nomination shall be limited to five minutes, and there shall be but one speech seconding each nomination.
2. No person shall be allowed to speak more than once on the same subject, except by consent of the convention.
3. All voting for candidates shall be by ballot.
4. All resolutions must be in writing, and shall be referred to the committee on platforms and resolutions without debate.
5. Nominees shall be selected by a two-thirds vote of all the delegates.
6. Before proceeding to ballot all nominees must appear before the convention and declare their allegiance to the platform and principles of the American Union party and their support of the ticket.
7. The delegates of the Fourth and Fifth representative districts shall meet separately and each make their legislative nominations, which shall be confirmed by the whole convention.
8. The order of business shall be as follows:
 - (1) Report of the committee on platform.
 - (2) Report of special committees.
 - (3) Nomination of senators.
 - (4) Speeches by senatorial nominees.
 - (5) Balloting for senatorial nominees.
 - (6) Reports from representative's nominations.
 - (7) Confirmation of nominees for representatives.
 - (8) General business.
 - (9) Adjournment to meet at the call of the chair.

AMENDMENTS ADOPTED.

These rules may be suspended or amended only upon the vote of two-thirds of the delegates.

Vacancies occurring in the legislative ticket will be filled at a special session of the convention responsible for the nomination.

THE PLATFORM COMMITTEE.

The motion was then made that the committee on platform and resolutions be composed of one delegate from each club. It carried, and the chairman appointed the following members of such committee: First club, T. F. Lansing, chairman of

committee; second club, J. S. Martin; third club, W. R. Sims; fourth club, Ed. Towse; fifth club, John Emmeluth; sixth club, William Henry; seventh club, J. A. McCandless; eighth club, W. J. Lowrie.

A recess of fifteen minutes was taken in order to give the platform committee time to arrange the documents. At the expiration of that time the platform was presented and read. Every clause was greeted with applause, and the one referring to annexation was loudly cheered. The document was then translated into Hawaiian by Mr. Wilcox and was adopted.

The platform in full reads:

To the voters of the Republic of Hawaii:

We, the delegates of the American Union Party of the island of Oahu, Republic of Hawaii, in convention assembled, this 13th day of October, 1894, announce and declare these to be our principles and this the platform of our party:

1. We declare unequivocally that the foremost mission of the American Union Party shall continue to be unreserved effort to secure the political union of Hawaii with the United States of America.

2. We cordially commend the efficient, courageous, and honorable conduct of public affairs by the officers of the Provisional Government and Republic of Hawaii.

3. We are proud of the party's policy of internal improvements and development, and in witness point to the inauguration of extensive public works, to practical projects of similar nature, and to plans of settlement of open lands.

4. We oppose the employment of prison labor in any mechanical pursuit.

5. We are opposed to the employment of Asiatics upon any public work.

6. We declare against the importation of labor or material of any kind whatever by the Government.

7. We recommend that the Government at once secure absolute ownership of all water-front lands in every harbor throughout the group where the possession of such lands by other parties is detrimental to necessary wharfage facilities.

8. We favor a revision of the tax system, whereby all property, improved and unimproved, shall be taxed on an equitable basis, and recommend a consideration of the graduated tax system.

9. We favor such legislation as will promote the occupancy of all public lands by small holders, and foster the development of varied industries, believing it to be of vital importance that "many acres should be for many men." We ask that Hawaiians have the opportunity to secure homesteads upon more favorable terms than granted to others.

10. We are in hearty sympathy with the spirit which actuated the Government in its dispatch of a commissioner to search for European labor for the industries of the islands; as a further earnest of the intent of the dominant party in these premises we refer to the creation of the Labor Commission by the Councils of the Republic.

11. We pledge all the power and influence this party may possess to aggressive endeavor to bring about at once the restriction of Asiatic immigration. In this connection we again point to the menace of Asiatic encroachment, and demand legislative protection from these people for Hawaiian, American, and European mechanics and tradesmen.

12. We urge the enactment at once of a law that will cause the Asiatics brought to these islands for plantation labor to continue in that service, or return to their homes.

13. We demand such revision of the tariff as will prohibit competition with American products and manufactures; protection to which America is justly entitled by virtue of the treaty of reciprocity, and which we deem necessary to insure the existence of our merchants, who are being rapidly superseded by an element having nothing in common with the principles lying at the foundation of our institutions.

14. We urge the Government to secure for the islands cable communication; that no exclusive franchise be granted, and that no agreement or contract be made which does not meet with the unqualified approval of the United States.

15. We ask that there be continued effort in the direction of extending and improving the system of free schools.

16. We declare our opposition to monopolies and trusts of any kind.

17. We declare full allegiance to the Republic of Hawaii, citing its constitution and the present peaceful condition of the country as work of the American Union Party.

The platform was adopted by a unanimous vote.

NOMINATIONS.

Nominations for Senators were then in order and Mr. Lansing at once took the floor. He said:

"I wish to put in nomination Peter Cushman Jones. No language of mine can give the delegates here a better acquaintance with him than they already have. His

forefathers belonged to that fearless band that declared for the independence of the Union. He is possessed of the same qualities as they, and he will succeed in placing another star in the American flag."

The nomination of Mr. Jones was seconded by Mr. Towse.

Mr. Martin nominated Cecil Brown and briefly referred to his record. This nomination was seconded by Mr. Henry.

Then Mr. Fisher took the floor and said:

"I desire to place before this convention the name of a gentleman who has ever been the exponent of the American Union Party and the cause of annexation. He gave several years of his life to the cause of keeping the States of the Union together, and he will put in some more of these years in adding to that same Union. I desire to nominate W. C. Wilder." (Applause.)

Mr. Wooten seconded this.

Mr. Henry then nominated J. A. McCandless and Mr. Torbert made the seconding. The floor being accorded to Mr. T. B. Murray, he said:

"I desire to name a man who, though not the father of annexation, will always be with us. His name is J. N. Wright."

S. Effinger seconded this name.

Mr. McCandless then thought it time to reciprocate and named Henry Waterhouse. Mr. Henry, announcing that he spoke as a radical, seconded this.

Mr. Smith was then recognized and said:

"I wish to place before this convention the name of a supporter of the party of progress, Mr. H. W. Schmidt."

In seconding this nomination, Mr. Asch said: "He is a thorough annexationist, and will take it for breakfast, dinner, and supper."

John Emmeluth being the next to speak, said: "In addressing this convention for Club No. 5, I desire to place in nomination a Hawaiian. We have not centered on one man for any personal reasons, but have tried to pick out one whose record shows that he is the man for the place. I name D. L. Naone."

Mr. Akau seconded this.

J. Effinger nominated John Emmeluth, which name was also seconded by Mr. Akau.

Then Mr. Towse placed the name of L. C. Ables before the convention and Mr. Murray added his voice as a second.

The nominations were then closed.

The order of business called for speeches by the candidates as the next step, but some hungry delegates wanted to adjourn until 7 p.m. They were ruled out by a majority of votes, however, and the candidates as nominated were called upon.

Loud applause greeted P. C. Jones as he ascended the platform. In part he said:

"It is proper I should declare myself here and that I should acknowledge my adherence to the platform. I believe in it as a whole, and I believe in it in part. The time has come when it must be declared whether Eastern or Western civilization shall hold sway here, and I want Eastern. I see by a local paper that your chairman, Mr. Kennedy, said, recently, that 'no candidate could be chosen by the American Union Party unless he supported annexation to the United States.'

"I risked my life for this one day, and I pledge myself to work for this if it takes the entire term in the Senate to do so." (Applause and cheering.)

J. A. McCandless was next heard and said:

"I assure you all that I heartily indorse every plank in that platform, and the plank for annexation more than any of them. Some people have said that there is 'a nigger in the fence.' Yes, indeed, there is; and we are watching. And behind that fence stands the American Union Party, and you and I, with our rifles at home."

J. M. Wright, taking the floor, said:

"I am surprised at this nomination; at being placed in nomination; but I am pleased, nevertheless. The principle of the American Union Party is annexation to the United States. I fought for that country once, and I will again if we join them."

Henry Waterhouse made a ringing speech, and wound up with, "Let our wary be 'Annexation.'"

H. W. Schmidt said: "I am not a candidate before this convention in the sense that I seek the nomination; but I believe it the duty of every citizen to do all he can for his country, and if I can be of service I will gladly accept the position. I have been an annexationist from the first, and I think my acts will show it. I shall not rest until the question of annexation is settled." (Applause.)

D. L. Naone delivered an eloquent address in Hawaiian, which was translated by Mr. Wilcox, and applauded. In part, he said:

"You have no idea of the pleasure I feel at thus being placed before the convention. I assure you I appreciate the honor. All the Hawaiians should feel proud of it. I do, and I think my people do also. If chosen, I will give the platform my full support. If you elect somebody else I shall not feel hurt, but will still do my utmost to carry out the wishes of the party. (Cheers.) Way back in 1887, when the reform

movement first started, I was with it. I have been in favor of annexation ever since, and always will be."

John Emmeluth next said:

"I am certain my record for the past eighteen or twenty months will show how I stand and by that I wish to be tested. I believe that only by annexation can we prosper."

Cecil Brown was not in the hall when his name was first mentioned, but by this time he put in appearance and was greeted with much enthusiasm. He said:

"So far as I have read the platform I am ready to stand by it. The great question of the hour is annexation, first, last, and all the time. I want to see this country under the Stars and Stripes. I was born here under the Hawaiian flag, but I am sure the only one we can live under and be at peace is the banner that waves over the Capitol at Washington." (Cheers.)

There were two more candidates to be heard from, W. C. Wilder and L. C. Ables. Mr. Towse withdrew the latter's name. Some of the delegates wished to adjourn until 7 p. m. and then hear from Mr. Wilder, but the majority ruled. There was some misunderstanding between the messengers sent out for the candidate, and it was a half hour before he appeared. The applause was hearty, though, when he did come, and Mr. Wilder said:

"I beg your pardon, gentlemen, for keeping you waiting. I started for this place, but was told the convention had adjourned, so I returned home. Your second message came while I was at dinner which, I assure you, I left at once.

"I am not a candidate in the sense of seeking the nomination. I stand to-day as I did on the 14th of January, 1893, when I was summoned to become a member of the committee of safety.

"Out of that committee this party has grown. But, gentlemen, we have secured only a partial victory. Our fight is for annexation, and in this fight I will remain until it is won. I have only been able to glance at your platform, and that while being rapidly driven from home. But from what I have read I heartily indorse every line of it."

A motion was then made and carried that the convention proceed to ballot, and Messrs. Bishop and O'Brien were appointed tellers. Ballots were prepared and dropped into the box. The count showed the result to be:

Cecil Brown	28
P. C. Jones	21
W. C. Wilder	22
H. W. Schmidt	23
J. N. Wright	21
J. A. McCandless	20
Henry Waterhouse	21
D. L. Naone	14
John Emmeluth	10

When the vote was announced several delegates moved that a second ballot be taken, because seven men had received a two-thirds vote or over. This was opposed, on the ground that the six highest should be declared the nominees. J. A. McCandless, in whose behalf the fight was made, then said he believed the men receiving the greatest number of ballots should be declared the nominees, and on a vote the convention declared it so. The nominations were made unanimous, and the convention at 6.30 adjourned until 7.

THE EVENING SESSION.—A CHANGE AND A CHOICE OF SIX REPRESENTATIVES.

The evening session of the convention opened shortly after 7 o'clock. The room was well filled some time before this, however, and the nominations of the afternoon were the only topics spoken of. Just before the meeting was called to order, the Advertiser extra arrived, and the delegates saw, in print, all that had been done an hour before.

When Chairman Kennedy called the meeting to order, everybody settled down at once to the business of nominating representatives. Mr. P. C. Jones was introduced and said:

"After I returned home, I heard I had received a sufficient number of votes to receive the nomination for senator. But in looking over the list, I find there are no mechanics. This was a great disappointment to me, for I think the mechanics here are our great stay. I was sorry to see that my friend Mr. McCandless was only one vote short, and wish you would allow me to resign in his favor."

J. S. Martin moved that Mr. Jones's resignation be accepted.

Mr. Emmeluth said he did not believe any man placed in nomination, who had pledged himself as Mr. Jones had, should be allowed to resign. The ticket having been made up, it should stand as it is.

Mr. Towse said the work of the convention was to elect six men. This had been done; but if one of those men wished to resign he should be allowed to do so.

Mr. Crozier wanted to thank Mr. Jones for what he had said about mechanics, and thought that a mechanic should be in the Senate.

Mr. Bishop said there was still a chance for the mechanics to be represented in the House.

Mr. Fisher said Mr. Jones had a right to resign if he wished, but it would require another vote to fill the vacancy.

The question was put and Mr. Jones's resignation accepted.

Mr. Towse moved to proceed to fill the vacancy. Carried; and nominations were declared in order.

J. A. McCandless was nominated by T. B. Murray.

Mr. Emmeluth nominated D. L. Naone, claiming that he should be on the mechanics' ticket. The nomination was seconded by M. Keliipio, and the nominations were closed.

D. L. Naone said he was perfectly willing to resign in favor of Mr. McCandless.

There being but one nomination after Naone's withdrawal, the secretary was instructed to cast a ballot for Mr. McCandless, under suspension of the rules.

Mr. McCandless was called on, and said:

"This places me in a very embarrassing place, and I would much rather Mr. Jones had accepted the nomination. But as he has seen fit to resign, I accept, and thank you sincerely for the honor."

P. C. Jones stated that he wished to renew his pledge to the American Union party in spite of his resignation. (Applause.)

The work of electing candidates for the house was then proceeded with.

The chairman announced that the delegates for the fourth representative district would be Messrs. Kenedy, Keech, Lansing, Wright, Naone, Martin, Souza, Sims, Fisher, Crozier, Asch, Day, Wooten, Effinger, and Akan. Those of the fifth district would be Messrs. Bishop, Smith, Towse, Murray, O'Brien, Emmeluth, Winston, Keliipio, Kaena, Henry, Pahia, Arnemann, McCandless, Lowrey, and Torbert.

The delegates for the two districts consulted for some moments and then took their seats again.

When the result of the consultation was announced, it was found that D. L. Naone, E. C. Winston, and C. L. Carter had been chosen in the fourth, and J. C. Cluney, L. H. Haalualani, and James Davis in the fifth district. In the fourth, Naone and Winston had been elected on the first ballot, the former receiving 15 votes and the latter 13. On the second ballot, Carter was elected, receiving 11 votes, F. W. McChesney receiving 4 votes.

In the fifth, the delegates chose Capt. J. C. Cluney, Haalualani, and James Davis, who received 13 votes apiece, on the first ballot. E. C. Winston was also voted on, getting 6 votes.

Delegate Sims thought the candidates for representative should be heard from as to their views.

G. W. Smith said all the candidates were not present, and could not be heard from; but all had been vouched for and could be depended upon.

E. Towse said that the absent candidates could be heard from by letter, addressed, say, to the American Union Party.

Mr. Smith moved that the rules be suspended in the case of Mr. Davis, who was absent, and suggested that Mr. Towse's suggestion be adopted. The motion was carried.

Captain Cluney was called upon, and said:

"I thank you, gentlemen, for the honor you have conferred on me. I am an out-and-out annexationist, and, if I am elected, I will uphold the principles under which I am elected."

J. K. Haalualani said, in Hawaiian:

"I do not propose to say much, but I intend to stand by and carry out the platform which has been adopted here. We are all of one mind on the main question. All I want is to have the two flags become one."

Mr. Lansing moved that the candidates of the fifth district be accepted and ratified. Carried.

Mr. Lansing said that Mr. Carter was not present, being at home ill.

Mr. Fisher moved that in Mr. Carter's case the rules be suspended, and the same action taken as in Mr. Davis's case. Carried.

D. L. Naone said:

"Gentlemen, I did not propose to say more than I did this afternoon, but I will thank you all, and say that anything I can do for the fourth district I will do."

E. C. Winston said he thanked the convention, and would uphold its platform to the best of his ability.

On motion of Mr. Fisher the nominations of the fourth district were adopted.

Mr. Smith moved the adoption of the ticket, senatorial and representative, as a whole. This was carried by a unanimous rising vote.

The chairman announced that general business was next in order.

Mr. Towse thought the convention should give a vote of thanks to P. C. Jones for his assistance to the convention, and so moved. Carried, with applause, by a unanimous rising vote.

Mr. McCandless suggested that a ratification meeting should be held soon.

Mr. Sims thought that matter came in the province of the central committee.

T. B. Murray moved a vote of thanks to the officers of the convention, which was carried.

Mr. Fisher moved to adjourn, which was carried, and Oahu's first convention was over.

No. 5.

Mr. Willis to Mr. Gresham.

LEGATION OF THE UNITED STATES,
Honolulu, H. I., November 2, 1894. (Received November 19.)

SIR: The election on the 29th ultimo for senators and representatives resulted in this island (Oahu) favorably to the candidates of the American Union party, the only independent candidate having been defeated by a majority of 4 votes. Full returns from the other islands are not yet in, but will probably show the same result. There was no disturbance and no excitement.

The Japanese steamer *Nanshan* arrived this week, bringing 900 Japanese immigrants, nearly all of whom are young men who will go under contract to the sugar plantations.

Mr. Saburo Fujii, the diplomatic agent and consul-general of Japan, has been recalled. He will depart on the 13th instant, leaving the consulate general in charge of the secretary.

Copies of the correspondence in regard to the proposed cable have been handed to me for personal inspection, with the statement that the matter will be officially presented upon the return of President Dole, which will be on next Saturday.

Great Britain has extended recognition to this Government, as have also France, Japan, Switzerland, Mexico, Russia, and Guatemala.

With assurance, etc.,

ALBERT S. WILLIS.

No. 6.

Mr. Willis to Mr. Gresham.

LEGATION OF THE UNITED STATES,
Honolulu, December 3, 1894. (Received December 21.)

SIR: In my dispatches of October 13 and 19 ultimo, and November 2, ultimo, I have heretofore called attention to the proposition which has been made to this Government by commissioners representing Great Britain, Canada, and Australia, involving the use of one of its uninhabited islands as a station for a transpacific cable from Canada to Australia; and in consideration of such use and of such subsidy as might be agreed upon, the connection of Honolulu to the main line by a branch cable to the island which might be selected.

This Government is of opinion that it is estopped from considering the foregoing proposition, by article 4 of the treaty of reciprocity between Hawaii and our Government.

This matter is now, therefore, at the request of this Government submitted to the consideration of our Government, upon the question of its willingness to nullify the treaty of reciprocity by exempting Necker Island, French Frigate Shoals, or Nihoa (Bird Island) from the operation of article 4 of the treaty, which reads as follows:

It is agreed on the part of His Hawaiian Majesty that as long as this treaty shall remain in force he will not lease or otherwise dispose of or create any lien upon any port, harbor, or other territory in his dominions, or grant any special privileges or rights of use therein to any other Power, State, or Government.

In this connection I inclose copies of the note of Mr. Hatch, minister of foreign affairs, and of correspondence between him and the commissioners.

With renewed assurances, etc.,

ALBERT S. WILLIS.

[Inclosure 1.]

Mr. Hatch to Mr. Willis.

DEPARTMENT OF FOREIGN AFFAIRS,

Honolulu, November 28, 1894.

SIR: The subject of connecting these islands with North America by a submarine telegraphic cable has recently been brought into prominence here by a proposition which has been made to this Government by Commissioners representing Great Britain, Canada, and Australia, involving the use of one of the uninhabited islands belonging to this Republic, viz: Necker Island, French Frigate Shoals, or Nihoa (Bird Island) as a station for a transpacific cable from Canada to Australia; and in consideration of such use and of such subsidy as might be agreed upon the connection of Honolulu to the main line by a branch cable to the island which might be selected.

The matter has excited much interest here, and it is felt by all classes that a cable is of the greatest importance to this community.

For many years strenuous attempts have been made upon our part to induce some company to undertake the enterprise of laying a cable from San Francisco to Honolulu. In 1875 our legislature passed an act to encourage telegraphic cable companies. In 1884 the legislature offered an annual subsidy of twenty thousand dollars for a period of fifteen years to any company which should establish telegraphic communication between Honolulu and San Francisco. In 1890 the subsidy offered was increased to twenty-five thousand dollars per year for fifteen, and the exclusive right of landing telegraphic cables on these islands for a period of fifteen years from 1891 was added as a further inducement.

Aside from the extremely accurate surveys which have been made by your Government, nothing has so far been accomplished.

The opportunity now offered is one to which this country can not be indifferent, if it can be taken up consistently with treaty obligations, and if no more desirable scheme is presented.

The proposition submitted by the commissioners above named contemplates a scheme in which the British Government will be directly or indirectly interested. This Government, therefore, considered itself estopped by article 4 of the treaty of reciprocity between the United States and Hawaii from considering any proposition until the views of your Government could be ascertained.

The portion of the treaty referred to is as follows:

"It is agreed on the part of His Hawaiian Majesty that so long as this treaty shall remain in force he will not lease or otherwise dispose of or create any lien upon any port, harbor, or other territory in his dominions, or grant any special privileges or rights of use therein to any other Power, State, or Government."

It is desired to submit this matter to your Government in order to obtain their views upon the desirability of modifying the treaty of reciprocity by exempting Necker Island, French Frigate Shoals, or Nihoa (Bird Island) from the operation of article 4 of the treaty.

I have, etc.,

FRANCIS M. HATCH.

[Inclosure 2.]

*Messrs. Fleming and Mercer to Mr. Hatch.*HAWAIIAN HOTEL,
Honolulu, Hawaiian Islands, October 17, 1894.

DEAR MR. HATCH:

We inclose a fair copy of the "memorandum of agreement," which is the result of our interviews with you, and which records the scheme arrived at, subject to the consent of the United States and the approval of the Legislature.

We will explain to our Governments that you feel precluded from following up our interviews with any actual step in the matter until the consent of the United States has been obtained to waive the requirements of article 4 of the reciprocity treaty. We presume that you will now take the necessary steps with the view of bringing the proposed arrangement to the notice of the United States Government, and of ascertaining whether they will give the desired consent so as to enable you to proceed with it.

We, all of course, hope that the Washington Government, on full explanations and proper representations being made to them, will be able to do this. By so enabling the scheme to be carried out they would obtain for the United States people the advantage of telegraphic connection with Honolulu, and, further, of exceedingly low telegraphic rates both to that place and to Australasia. These advantages would be secured without contributing to the capital required for the cable or to the necessarily heavy subsidies or guarantees which will have to be paid by all the countries to which the cable runs. All considerations of this kind will no doubt be satisfactorily explained by your representative, but we may add that the United States Government have been for some time aware that the Governments of Great Britain and her colonies have been discussing the project of a cable across the Pacific from Vancouver to Australasia, with a connecting line from an unoccupied island in the Hawaiian Archipelago to Honolulu, and there can be little doubt that they will quite recognize the commercial advantages which in no small measure would accrue to the United States from the accomplishment of this undertaking.

It is by no means settled that the undertaking will, if it is determined upon, be carried out as a Government enterprise. It may be committed to a company with a subsidy or guarantee from the Government interested. In that case the lease might be to the company and not to the British or any other Government, and the case would not then come literally within the terms of your engagement in the treaty not to dispose of your lands to foreign governments. But having regard to the circumstance that "foreign governments" would have a substantial interest in the lease, we are quite in accord with your view that it is proper, whatever form the lease might take, to obtain the consent of the United States to the arrangement.

It is understood between us that if the negotiations at Washington are successful, the memorandum of agreement will be submitted to your legislature, and will be subject to their approval. We are of course sensible that you can not guarantee that the legislature will consent to the annual subsidy of 7,000 pounds.

The explanations which will have to be made to the legislature on this and all other points will be in very good hands, and we need not be at pains to say more here than that the scheme would imply on our part the maintenance of two telegraph stations within your territory, one at Honolulu and the other on the island leased, at a computed annual local expenditure of about 10,000 pounds; that the laying of so expensive a cable through the Hawaiian Islands would cause a considerable expenditure there out of the capital, and that this benefit would not cease with the construction of the cable; for it is considered that it would be necessary to keep at least two cable-repairing ships on the route for the purpose of maintaining the efficiency of the cable, one of which ships would generally be stationed at Honolulu. It need hardly be observed that the subsidy is asked for not merely in consideration of the low tariff, but on the general ground that a heavy yearly deficit will have to be made up, for a greater or less period, by the parties interested. Your legislature will no doubt take this consideration into account in considering the question of the subsidy. We do not conceal from you that another feasible route for the Canada-Australia cable is under consideration, and that the adoption of the Hawaiian route must be justified on financial and commercial grounds.

We propose to inform the British Government of your inquiry whether they would accept the sovereignty of Necker Island, or some other uninhabited island, on condition that no subsidy is required from you. As we explained, we have not felt at liberty to entertain that question ourselves, as we were definitely instructed not to ask for the sovereignty of any island, but only for a lease simply for the purpose of the cable.

We are prepared to recommend to our Governments the acceptance of the terms stated in the memorandum of agreement, but we can not undertake to say that the arrangement would be adopted if any material alteration were made in it.

We have of course treated our negotiations with you on this subject as strictly confidential. It is not, however, necessary, so far as we are concerned, to attach any character of secrecy to the proposals. We have been at great pains to make these proposals as moderate and as acceptable to you as possible, and we do not ourselves see any objection to public criticism upon them being invited. You are quite at liberty to make any use which you may think proper of this letter.

We have only to express, in conclusion, our appreciation of the great courtesy and kindness which we have received personally at the hands of yourself and your colleagues.

We remain, etc.,

SANDFORD FLEMING.
W. HEPWORTH MERCER.

[Inclosure 3.]

Mr. Hatch to Messrs. Fleming and Mercer.

DEPARTMENT OF FOREIGN AFFAIRS,
Honolulu, October 17, 1894.

DEAR SIRS: In acknowledging the receipt of your letter of this date, inclosing a fair copy of the agreement proposed by you in the hope that it would prove mutually satisfactory, I beg to again express my regret that this Government, by the provisions of our treaty of reciprocity with the United States as we read it, is at this time precluded from the consideration of the terms proposed.

Our position is fully stated in the memorandum heretofore submitted to you, a copy of which is inclosed as a part of this note.

I desire to repeat the assurance that this Government is fully alive to the importance to this country of telegraphic communication with North America, and hope that the speedy settlement of all difficulties of a diplomatic nature may lead to the early consummation of this so long-desired project.

Availing myself, etc.,

FRANCIS M. HATCH.

[Inclosure 1 to Inclosure 3.]

Statement of the attitude of the Hawaiian cabinet in regard to the scheme for laying a Pacific cable from Canada to Australia as submitted by Messrs. Mercer and Fleming, representing the British, Canadian, and Australasian Governments.

This undertaking being of such magnitude that it is apparent that to insure success it must be conducted by or under the auspices of the British Government, the proposition that the Hawaiian Government should grant a lease of Necker Island, or some other uninhabited island of this group, as a cable station at once raises the question of the power of the Hawaiian Government to act in the premises without first obtaining the sanction of the United States. The treaty of reciprocity between the United States of America and Hawaii has the following provision:

"It is agreed on the part of His Hawaiian Majesty that so long as this treaty shall remain in force he will not lease or otherwise dispose of, or create any lien upon any port, harbor, or other territory in his dominions, or grant any special privilege or rights of use therein to any other power, state, or government, nor make any treaty by which any other nation shall obtain the same privilege relative to the admission of any articles free of duty hereby secured to the United States."

The Hawaiian cabinet do not feel disposed to enter upon any considerations of a verbal nature touching the extent of and scope of the above-quoted article. Its intent is so clear that they feel it would be improper for them to enter into any engagement in regard to the suggested lease of an island until the consent of the United States has been obtained.

The matter will be at once submitted to the United States Government. Upon obtaining the approval of the United States, and a waiver in this instance of the article above quoted, reference will be made to the Hawaiian Legislature of the propositions submitted by Messrs. Mercer and Fleming, which are embodied in the draft memorandum hereto annexed.

With such approval no possible objection by the Legislature is anticipated to a lease of Necker Island, or any other uninhabited island of this group, upon condition that Honolulu is put into telegraphic connection with the main line, and that fair rates, not out of proportion with the general tariff determined upon, be given. The question of financial aid is exclusively within the province of the Legislature. Upon this point it need only be said that the cabinet feel confident that the Legislature will meet the matter in a spirit of liberality which its great and unquestioned importance to the country at large demands.

FRANCIS M. HATCH.

[Inclosure 2 to Inclosure 3.]

Memorandum of agreement between the Hawaiian Government and representatives of Great Britain and the British Colonies, made in Honolulu in October, 1894, with regard to the proposal to lay a submarine cable between Canada and Australasia connected by a branch line with Honolulu.

Subject to the conditions and stipulations hereinafter set out, the Hawaiian Government agrees, if and when the laying of a submarine cable between Canada and Australasia shall be determined upon, to lease to the British Government and its assignees, hereinafter called the lessees, either Necker Island or French Frigate Shoal or Bird Island, or other uninhabited island, whichever of them the British Government may select.

It is noted that the Hawaiian Government are debarred by their reciprocity treaty with the United States from leasing or otherwise disposing of any of their lands, or from granting any special privileges, to any foreign government, and it is therefore incumbent upon the Hawaiian Government to obtain the sanction of the United States Government as a condition precedent to the grant of the proposed lease.

The Hawaiian Government further agrees, for the consideration and stipulations hereinafter expressed, to insert in the lease the following covenants:

(1) That the lease shall commence and take effect when a contract has been entered into for the laying of a cable from Canada to the island intended to be leased, and shall enure and continue until the cable and the connecting line to Honolulu are finally and permanently abandoned.

(2) That exclusive possession free from disturbance shall be given, with exemption from all kinds of taxation.

(3) That a convenient landing station and space for the accommodation of the telegraph office staff shall be provided at or near Honolulu for the purpose of laying and working a connecting cable between the island leased and Honolulu.

(4) That an annual subsidy of 7,000 pounds shall be paid by the Hawaiian Government to the lessees for the period of fifteen years, payable half yearly in two installments, on the 30th of June and the 30th of December (or such other fixed dates as may be determined upon by the British Government), the first payment to be made on the first of such dates as shall occur after cable communication has been established between Honolulu and Canada.

In consideration for the lease and the covenants given by the Hawaiian Government, the following covenants will be required from the lessees:

(1) That a cable shall be laid from the island leased to Honolulu, so as to connect that place telegraphically with all points on the main cable.

(2) That telegraphic messages shall be sent from Honolulu to the first landing station on the Canadian coast at the following rates per word, viz: 1s. in the case of private messages; 9d. in the case of Government messages; 6d. in the case of press messages, provided always that no less charge shall be made than 10s. (\$2.50) for any one message. And further, that persons telegraphing at Honolulu shall be given the full benefit of such rates as may be established by agreement with other countries or companies to all points beyond.

(3) That the island leased shall not be fortified or used as a naval station, or for any purpose whatever not connected with the working and maintenance of the cable.

(4) That the island leased shall be surrendered and vacated by the lessee or lessees if and when the cable and the connecting line to Honolulu are finally and permanently abandoned, and if and when any of the above covenants on the part of the lessees is broken.